(c) Notice under Section 142(1) of the Income Tax Act was issued on 21.11.2001 and 10.1.2002, calling for the books of accounts. The proceedings are in progress.

(d) No evidence of such evasion has yet been established.

Aid to minor Irrigation projects in Tamil Nadu

104. PROF. M. SANKARALINGAM: Will the Minister of FINANCE be pleased to state:

(a) whether any priority has been accorded by the financial institutions for financial assistance to minor irrigation projects to augment agriculture in Tamil Nadu; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) As per the guidelines issued by Reserve Bank of India (RBI) to banks on lending to priority sector, medium and long-term loans for development of irrigation potential are classified as 'Direct Finance to Agriculture'. In order to improve institutional finance to agriculture, public sector banks have been advised to formulate Special Agriculture Credit Plan (SACP). Accordingly, banks have been formulating such plans since 1994-95. Under SACP, banks are required to fix self-set targets, generally by showing increase of about 20-25% over the disbursements made during the previous year.

Loans given by scheduled commercial banks for "Minor Irrigation" in Tamil Nadu State as on the last Friday of June, 1998, 1999 and 2000, are as under:

(Rs. in crores)

Year	No. of Accounts	Amount outstanding
June, 1998	105572	135.38
June, 1999	104663	143.44
June, 2000	97488	140.63

The National Bank for Agriculture and Rural Development (NABARD) has identified minor irrigation as a thrust area and provides refinance assistance for a wide variety of minor irrigation investments. The strategy of NABARD has been to promote financing of area based minor irrigation activities alongwith careful evaluation of ground water potential. Refinance disbursement by NABARD for minor irrigation to all eligible banks in the State of Tamil Nadu during the past three years is given below:

(Rs. in lakhs)

Year	Amount
1998-99	886.00
1999-2000	1464.00
2000-2001	2191.00

Apart from providing refinance for minor irrigation activities NABARD has been directing larger amounts of credit to the State Governments for financing such investments from its Rural Infrastructure Development Fund (RIDF). Loan sanctioned from RIDF is based on the projects submitted by the State Governments.